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ABSTRACT

This annotated bibliography, arranged alphabetically by title, cites ERIC information analysis products; state annual fiscal reports, budget recommendations, and descriptive reports; articles; project reports; case studies; position papers; and monographs. Topics covered by these materials include: issues and trends in community college financing, cost per student studies, tuition and tuition-free schools, financing specific projects, interstate comparisons, methods of financing, funding policies, statewide planning, and economic impacts. Many of the documents cited are in the ERIC system and ERIC Document Numbers are provided. (AYC)

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FINANCIAL SUPPORT FOR COMMUNITY COLLEGES

(A BIBLIOGRAPHIC SUMMARY WITH ABSTRACTS)

20 APRIL 1979

Prepared for

ARIZONA COMMUNITY COLLEGES
PRESIDENTS' COUNCIL

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FINANCIAL SUPPORT FOR COMMUNITY COLLEGES
(A Bibliographic Summary with Abstracts)

20 April 1979

ABOUT COMMUNITY COLLEGE FINANCE. A "BRIEF" HIGHLIGHTING IMPORTANT LITERATURE SINCE 1973 ABOUT FINANCE IN THE COMMUNITY COLLEGE.

Alvarado, Andrew, Comp. July 1977. ERIC Clearinghouse for Junior Colleges. July 1977.
ED 140 928

An introductory overview of community college finance provides an outline of current funding patterns, sources of income, resource development efforts, current financial problems, and proposed solutions. The annotated bibliography that follows contains 27 references drawn from both published and unpublished sources including the journal literature, published books, and ERIC documents. The bibliography is divided into six sections: comprehensive sources, financial planning, expenditure per student, state and federal support, grants support, and community resources.

ADULT SCHOOL AND COMMUNITY COLLEGE FINANCE. (CALIFORNIA)

February 1976.
ED 136 872

This document represents the completion of the first phase of a study of adult and continuing education in California. The current method of funding community colleges in general, and adult/continuing education programs offered by community colleges and school districts specifically, are examined, their shortcomings noted, and alternatives to the present method of funding suggested for consideration and legislative adoption. The report recommends replacing the current foundation aid program with percentage equalizing as the way to finance adult/continuing education in the state. The proposed changes would eliminate the present "enrollment cap", would achieve equal expenditure per pupil and equal tax effort per taxpayer throughout California, and would generally simplify community college and adult school financing while constraining public expenditures for community

colleges and adult education to a level consistent with increases of tax revenues. Detailed analysis of the current financing system and the proposed system constitutes the bulk of the report.

ARIZONA COMMUNITY COLLEGE'S ANNUAL REPORT TO THE GOVERNOR, FISCAL 1976-77.

ED 152 361

The 1976-77 Annual Fiscal Report on Arizona Community Colleges provides information on the State Board of Directors Central Staff expenditures, outlines the State Community College System philosophy, and describes the community college system by district and by college in terms of date established, area served, and Fall 1976 enrollment. Statistical data are provided in tables for the following areas: source and disposition of funds, current operating expenditures, analysis of operational state aid income, summary of bonded indebtedness and plant investment, full-time equivalent enrollment for Fall 1963 through 1971-72, headcount enrollment for Fall 1963 through 1976-77, Fall 1976 student characteristics (age, ethnic origin, and residency), 1976-77 staffing profile, and headcount enrollment for 1976-77 by major course of study. Career development programs are described in terms of vocational-technical credit course enrollment by county and occupational area, adult enrollment in noncredit vocational-technical courses, and federal fund allotments to colleges for various programs. A curriculum inventory in occupational education by program, campus, and degree offered is included.

ARIZONA COMMUNITY COLLEGE'S ANNUAL REPORT TO THE GOVERNOR, FISCAL 1977-78.

State Board of Directors of Community Colleges. Phoenix, Arizona.

This report provides the information as outlined in the annual report above -- but for the fiscal year 1977-78.

BALANCING STATE AND LOCAL CONTROL.

Charles, Searle F. ED. New Directions for Community Colleges. No. 23 V6 N3 1978.
ED 158 822

The successes and failures in balancing state and local control of public community colleges are explored in this collection of essays describing effective and non-effective coordinating and planning efforts. Vincent S. Darnowski explores the Connecticut Community Colleges' struggle with a centralized state bureaucracy. Sidney W. Brossman uses the California Community College system to demonstrate the substantial investment by local taxpayers in the preservation of local autonomy. Harold James Owen, Jr. explores Florida's solution to the balance between state financial support and local control. Fred L. Wellman outlines a "joint partnership" approach. William A. Koehnline discusses the place of the community college in a statewide network of coordinating and planning agencies. John C. Mundt notes the development of a new decision-making process based on the interaction of public sector interests. Elwood A. Shoemaker relates the responsibility for funding in Pennsylvania. George V. Moody deals with state and local decision-making. Philip J. Gannon reviews Michigan's developing methods for maintenance of autonomy. Andrew Hill reviews the literature concerning the state-local control issue.

COMMUNITY COLLEGE FINANCING IN THE POST-PROPOSITION 13 ERA

Lombardi, John. An ERIC Junior College Resource Review.
January 1979. 7pp.
(ED number not yet assigned)

This review considers the forces at work which resulted in proposition 13; the revenue, tuition, and tax effects. The financing pattern (or lack of a pattern) for capital outlay financing is discussed in relation to several states as are current operating financial pattens including the classification by Wattenbarger and Starnes (1976): 1) negotiated budget funding, 2) unit rate formula, 3) cost-based program

funding. The modified form of cost-based funding proposed by a Michigan task force (1977) is a further variation reviewed. The increase in funding caps is noted for several states with accompanying reduction of program including community service noncredit courses. There is an effect on the open door policy of the community colleges and their ability to serve handicapped and minorities as financial support diminishes. More colleges are being forced to give up their low or no tuition policies and tend to revert to emphasis on college-credit courses. Bibliography.

COPING WITH REDUCED RESOURCES.

Alfred, Richard L. New Directions for Community Colleges. No. 22
Vol. VI No. 2. Summer 1978. 102 pp.
NO. 22. Vol. No.
ED 154 888

In this sourcebook, nine contributors explore the issue of reduced resources for community colleges in the current period of decelerating growth. S. V. Martorana describes how public two-year institutions have become increasingly dependent on state and federal financial support, resulting in losses of college autonomy. W. Gary McGuire examines state support patterns in 39 states, with a majority reporting "stabilized" funding conditions not far removed from the declining resources condition. Lee G. Henderson explores the burgeoning role of state agencies. Two models for retrenchment are presented by Herbert M. Sussman, based on responses to operating budget cuts at New York City Community College. Richard Decosmo considers how budget cuts effect curriculum and instruction, and Jane I. Matson outlines reduction effects on student personnel services. James L. Wattenbarger discusses two approaches for administrative planners facing resource reductions, while Richard C. Richardson reviews the types of problems administrators will have to face in the future, concluding that careful institutional research and planning can help maintain or increase institutional effectiveness. Dorothy M. Knoell and Richard L. Alfred look at some heretical concepts for community colleges to adopt in order to maintain the growth that characterized their early years. A pertinent bibliography is included.

CRITICAL ISSUES FACING MICHIGAN HIGHER EDUCATION, 1978.

Angel, Dan. 1978.
ED 153 570

Ten major policy questions related to postsecondary education in Michigan are discussed. These include: the authority issue (who should be Michigan's planning and coordinating agent in matters of higher education); role and mission of the different sectors of Michigan's higher educational community; declining enrollment effects; cost-benefit question; the need for a complete community college system; Midwest Postsecondary Education Compact (should Michigan become part of it); the development of an external degree program; state tuition policy (uniform tuition rates for comparable public institution); funding model equity; and financial support for private sector higher educational institutions in Michigan conducted by the author in 1977 are summarized.

CURRENT ECONOMIC TRENDS IN AMERICAN HIGHER EDUCATION.

Minter, W. John. CHANGE. Vol. II No.1 pp. 19-25. February 1979.

Change Magazine commissioned John Minter Associates to develop sets of economic indicators that can periodically measure economic prospects for academic institutions. The first set of seven indicators developed and reported in this article are: 1) enrollments, 2) total current revenue, 3) total employment, 4) capital contract commitments, 5) expendable reserves, 6) voluntary giving, 7) surplus of revenues over expenditures. The methodology to derive these indicators concentrates on the direction of change not the magnitude of change. The impact of tax limitation legislation of states and the impact of changes is under study. Preliminary data shows that two-year institutions are the first to be affected because they are more dependent on property tax revenues: Expendable reserves are negative; half of the public two-year schools are projecting negative trends in current operations (surplus of revenues over expenditures).

DIFFERENTIAL COSTS OF CURRICULA IN ILLINOIS PUBLIC JUNIOR COLLEGES: SOME IMPLICATIONS FOR THE FUTURE.

Warren, John T. and others. Research in Higher Education. V4. N1. pp. 59-67. 1976.
EJ 132 875

A study analyzed the annual cost per student of each curriculum of selected community colleges to show the relationship between costs of vocational-technical curricula and common baccalaureate oriented curricula. Results support differential program funding to assure continued development of high quality vocational-technical programs.

DOLLARS AND DIRECTIVES: ISSUES AND PROBLEMS RELATED TO FINANCIAL SUPPORT AND LEGAL AUTHORIZATIONS OF COMMUNITY COLLEGES.

Martorana, S. V.; Wattenbarger, James L.; Smutz, Wayne D. American Association of Community and Junior Colleges and ERIC Clearinghouse for Junior Colleges, 1978. 60 pp.
ED 156 295

This monograph is concerned with the issues and problems raised by recent trends in state legislative activity related to community and junior colleges and in patterns of funding these institutions. The first of two parts discusses legislation directly or indirectly affecting policies for financing postsecondary education in general and community colleges in particular. This legislation forecasts a period of financial stringency, which is a product of decreased state appropriation growth rates, restrictions on institutional growth, and increased outside control over expenditures. The second part discusses the changing policy frameworks and decision-making environment, which are characterized by a variety of different groups gaining a greater voice in internal institutional affairs. This may affect the speed and manner in which community colleges can change, thus impairing their ability to develop validly needed programs and to use resources efficiently and effectively. The report concludes with a discussion of six issues: the relationship between educational policy control and financial support provisions; the protection of

institutional flexibility; the tendency of state legislatures to be restrictive; the acquisition and use of information for coordination and planning; the proper role of the federal government in funding; and a growing sense of consumerism.

AN ECONOMIC PERSPECTIVE ON COMMUNITY COLLEGES (PROJECT PROPOSAL)

Breneman, David W. and Susan C. Nelsons. The Brookings Institution. Economic Studies Program. 1978.

Proposes a two-year study by the Brookings Institution on the economic issues related to the community college in the hope of making some informed judgements on their success in serving as a vehicle for social mobility and for equalizing educational opportunity, and to use this analysis to recommend policies that would improve the current methods of financing community colleges. The study will be broad based to include information on a national basis about the community colleges mainly through analysis of what goes in (input) and what comes out (outcomes). The study will examine empirically a number of equity questions, financing formula, labor market, further education experiences, student aid vs. low tuition, the projected higher education enrollment for the 80's particularly the 25%. decline in the population of eighteen year olds and derive implication for financing policies. National surveys and data will be augmented by field trips to 6-8 states. A publication of the study and the economic implications is planned.

EFFICIENCY AND EQUITY IN POST-SECONDARY EDUCATION THROUGH PORTABLE GRANTS. OREGON AS A CASE STUDY.

Wish, John. De Vriend, Wim. Oregon University, Eugene, Oregon. (Alfred P. Sloan and Exxon Education Foundations, sponsors) 1973, 190 pp.
ED 119 601

This report analyzes some effects of the ways in which some $132 million in state and local taxes will be spent on Oregon higher education. These effects are evaluated in the light of some socioeconomic objectives. Discussed are: (1)

the important components in state subsidies for higher education--institutional subsidies, need grants, scholarship grants, and educational loans; (2) the relative effectiveness of the different types of state subsidies and suggested shifts of funds among them that could produce superior results; (3) alternative mix of subsidies that could be implemented successfully in Oregon; and (4) the means and ends in state subsidies to postsecondary education. In conclusion, it is found that if the interaction between the demands for educational services and the supply were more realistic--in a system that was more akin to the marketplace, with consumers more at liberty to direct their demand to any product they preferred--greater flexibility and economy would result. Increased competition among alternative institutions could lead to greater responsiveness, an increase in educational quality, and lower costs.

FINANCE PROJECT. STATUS REPORT AND PRELIMINARY WORKING PAPERS.

California Community Colleges Finance Project. Sacramento, California: Office of the Chancellor. 1 September 1978.
ED 158 813

This status report outlines the progress of the California Community College finance project. Working papers, models, and alternative proposals are reviewed in four areas: mission and function, finance, governance, and management. Priorities in mission and function are stated in terms of the characteristics and educational needs of the nearly 1.3 million students in the system. Student needs involve preparation for transfer; occupational training; and basic language, computational, and learning skills. The finance section presents seven support source models, and considers a variety of support techniques including locus of budget decisions, workload measures, phasing and year to year change, funding amounts, incentives, institutional vs. student aid, and cost differences. Three governance policy alternatives are considered which offer varying amounts of local, region and state control in areas of influence; budgeting and allocation of funds; program and course approval; planning; personnel; admissions; new campuses, centers, facilities, and equipment; and academic standards. The management section discusses the use of human resources, including faculty, administrative and supporting staff,

students, and the community; and material resources of facilities and equipment. It also deals with scheduling and measuring student work, and accountability, which is described in terms of mandates, legal compliance, evaluation and accreditation. Background papers and a bibliography, as well as a list of the task force and Finance Study Group members, are included.

FINANCIAL SUPPORT FOR THE CALIFORNIA COMMUNITY COLLEGES: CHARACTERISTICS, OBJECTIVES AND ALTERNATIVES. COMMISSION REPORT 77-3.

California Postsecondary Education Commission. June 1977. 202 pp. ED 142 263

In response to 1975-76 legislative action calling for a study of alternative funding procedures for community colleges, the California Postsecondary Education Commission focused this report on (1) the sources of income for current operations, and (2) capital outlay, including the methods and procedures by which it is provided. In each area, the study investigated the history of existing state and local support systems, the conceptual foundation of these systems, the potential use of market behavior theory as a guide to state policy formation, and community college finance in other states. Deficiencies and alternatives to the present system are presented, as are specific recommendations regarding modification and equalization of state funding formulas. The study also proposes a shift from a statutory to an annual budgetary system, retention of tuition exemption from credit courses, further study on non-credit funding, reinstatement of the 1967 Community College Construction Act, state support for off-campus instructional space, and dropping the demographic funding factor pending further study. Support data were gathered from existing financial, legislative, and enrollment literature, interviews with system and college administrators, and by two surveys of other states. Extensive statistical data, questionnaires, and financial information from Colorado, Florida, Hawaii, Illinois, Mississippi, New York, Texas, and Virginia are included.

FINANCIAL SUPPORT PATTERNS FOR COMMUNITY COLLEGES, 1976.

Wattenbarger, James L.; and Starnes P. M. Gainesville: University of Florida, Institute of Higher Education. September 1976. 127 pp. ED 132 994. LB 2342. W39 F6.

The philosophical underpinning of the purposes of the community college, an examination of the basis for state financial support from a philosophical viewpoint, and an analysis of the ways in which the various states have implemented that philosophy in financial support programs are the central focus of this report. The four current patterns of state funding (negotiated budget funding, unit rate formula funding, minimum foundation funding, cost-based program funding) are described, followed by a review of the 1975-76 State Fund Allocation Formulas and Procedures utilized in each state. A three-part process model for community college funding is offered, including a college allocation formula model designed to redress the detrimental effects of currently utilized formulas under conditions of decreasing enrollments. The allocation formula model recognizes economies of scale, program cost differences, and the operational cost differences between implementing new programs and maintaining existing ones. In particular it approximates the downward sloping cost curve. Speculation on the future effects of presently discernable trends comprises the final section of the report. Financial support statistics and definitions of management information system terms for each state are appended.

FINANCING COMMUNITY COLLEGES.

Garms, Walter I. Teachers College Press, Columbia University, N.Y. February 1977.
ED 134 281. LB 2328 G28.

This book addresses the issues surrounding the financing of community colleges. The first two chapters deal with the development of American Community Colleges and the functions and finances of these institutions. Chapter Three explores the benefits and disadvantages that would accrue to parties involved in higher education if any of several outlined free-market models for financing community colleges were

implemented. Chapter Four presents a consideration of community college financing in a planned economy as compared to a free-market operation, then analyzes the effects of several "mixed-economy" models. Chapter Five briefly outlines the effects of tuition in public and private colleges, in vocational education, and on students in general. Chapter Six presents, explains, and defends nine criteria to be used in evaluating models for financing community colleges. Two alternative models for financing community colleges are offered: one for those states preferring a state system of colleges, and one for those states preferring a system of public colleges in which there is a partnership between localities and states. Appendices related to present and proposed systems of community college financing and a bibliography are included.

FINANCING COMMUNITY SERVICES INSTRUCTION.

Zoglin, Mary Lou. 1977.
ED 140 882

This paper reviews the rationale for community services education and the effects of different methods of financing adult education programs. Two case studies of community services financing in California are reported to illustrate different approaches toward financing permissible under state statute. The college of San Mateo finances its community services program by both local tax and user's fees, with emphasis on the latter, while Foothill College utilizes both taxes and fees, with the emphasis on the former. Both colleges' programs are essentially enrollment-driven and fee-supported, with fees set to cover the expenses of each course. Both colleges also specify lower fees for certain target populations generally found in the lowest income brackets, and scholarships are available when necessary. Although public funding of community services has often been a source of controversy, it is argued that such community-oriented programs provide valuable services to society. It is therefore recommended that (1) the maximum community service tax should be levied; (2) fees should be established by Boards of Trustees, (3) federal aid should be sought for

specific programs but state aid should not be sought lest restrictions on types of courses be imposed; and (4) scholarships should be established for community services and publicized.

FINANCING HIGHER EDUCATION IN THE FIFTY STATES, INTERSTATE COMPARISONS FY 76 (DRAFT EXCERPTS WHICH DESCRIBE ARIZONA -- FROM THE FORTHCOMING PUBLICATION BY THE NATIONAL INSTITUTE OF EDUCATION)

McCoy, Marilyn and D. Kent Halstead. Washington, D.C.: National Institute of Education (publication pending) (draft is 1979)

The excerpts which are in draft form provide summary information for Arizona and the U.S. average with trends in state and local education and general appropriations (E & G) indicated for FY 75 to FY 76. Identified are percent change in appropriations, FTE enrollments, appropriations per student, and constant dollar appropriations per student. Arizona two year institutions indicated a 28% gain in appropriations, being outweighed by a 33% climb in enrollments, leaving a 4% decrease in per student support from the state. Inflation further reduced this to a 10% decline. Revenues from other sources do not make up the difference leaving institutions in Arizona at a level that is 5 - 20% lower than the U.S. average in total revenues and expenditures.

FISCAL YEAR 1976 OPERATING BUDGET RECOMMENDATIONS FOR THE ILLINOIS PUBLIC COMMUNITY COLLEGE SYSTEM.

Illinois Community College Board. Springfield. 16 December 1977. 58 pp.
ED 148 407

The history of Illinois Community College Operating Finance Policy is traced from July 1964 with the establishment of a semester hour Flat Rate Grant (FRG) through the following: an equalization formula in addition to the FRG; supplemental non-business occupational grants; supplemental appropriations during a sudden enrollment increase; recommendations

of a governor-appointed committee; enrollment growth funding; and division of the FRG into "basic" credit and "Special basic" (disadvantaged student) funding rates. This is followed by a discussion of resource requirements vs. revenue, recent state funding problems, and proposed funding changes developed by an ad hoc committee of community college representatives, with major differences juxtaposed for 1978 and 1979. A rationale for funding changes is followed by the assumptions used to calculate funding needs, the proposed 1979 State Community College Budget, a revenue/cost illustration, and the Board's Central Office Budget in narrative and statistical form. Instructional unit costs by funding categories and full-time equivalent enrollments, college assessed valuations, tax rates, tuition and fee revenue, tax collection loss rates, proposed budget design refinements, grant proposals and projects, the data processing budget, and personal and contractual services budgets are appended.

FISCAL YEAR 1978 OPERATING BUDGET RECOMMENDATIONS FOR THE ILLINOIS PUBLIC COMMUNITY COLLEGE SYSTEM.

Illinois Community College Board. Springfield. 19 November 1976. 61 pp.
Ed 135 418

This document contains the budget recommendations for Illinois Public Community Colleges and the Illinois Community College Board for fiscal year (FY) 1978, reviews the funding history and problems of Illinois Community Colleges and provides a statement of need for the FY 1978 Budget Request totalling $132,196,218. This figure compares to the FY 1977 Budget Appropriation of $108,802,000, although $117,111,500 had been recommended by the Illinois Community College Board. It is noted that in the three-year period of FY 1974-1977, state credit-hour grant support per student has decreased more than 8% while inflation has increased by nearly 25%. Consequently, the bulk of the recommended increase over the 1977 budget is for credit-hour grants, with a rate of $20.80 recommended as the base rate for the average credit-hour grant. This budget recommendation is intended to prevent further program closures, tuition increases, and deterioration of educational quality. Tabular

and graphic data are included throughout and provide information on: State appropriations by budget item and apportionment rates FY 1966-1977; anticipated revenues by source and per credit hour for FY 1976; unit costs by college and instructional program area for FY 1976; annual apportionment FTE enrollment by funding category for FY 1976; assessed valuations and estimated tax collection losses; and equalization funding. Overall, costs for operation of the Illinois Community Colleges for FY 1978 are projected at $299,675,000 for 185,500 FTE students at $53.85 per credit hour.

ISSUES IN FINANCING COMMUNITY COLLEGES. REPORT NO. F-78-4.

Augenblick, John. Education Finance Center Education Commission of The States. Denver. October 1978. 66pp.

In the fall of 1976, 28% of full-time-equivalent (FTE) students nationally were attending public community colleges. Community colleges in a number of states obtain revenue from community college districts. State aid has diminished thrusting increased reliance on local districts and primarily their property tax base. Raised are fundamental equity questions. The relationship between states, local districts, and students is explored. In the first section a review is made of issues related to intergovernmental fiscal policy and the development of state systems for financing community colleges. In the second section, problems related to community college finance are discussed. State systems of financing community colleges are examined in the third section including a detailed description of the finance systems of Mississippi, New Jersey, California, and Illinois. In the fourth section, an empirical analysis of the finance system of these four states is presented. A summary of issues and findings is contained in the final section. Bibliography.

ISSUES IN POSTSECONDARY EDUCATION FINANCE: SUMMARIES OF SIX ISSUES. REPORT NO. F78-2.

Hyde, William D. Jr. Education Commission of the States, Education Finance Center, Denver. June 1978. 49 pp.
ED 157 459

Six papers that address issues on postsecondary education finance and were presented at a conference sponsored by the finance center of the Education Commission of the States are summarized. The first paper, by Frank A. Schmidtlein and Joseph J. Popovich, Jr. is an exposition of the demographic, economic and social changes affecting the climate toward, and environment of higher education and the way it is financed. Susan C. Nelson, Brookings Institution, addresses the issue of the equity of public subsidies for higher education and John Augenblick looks at the equity of the ways in which community colleges are financed. The paper by William D. Hyde, Jr. is a review of the effects of direct student financial aid programs and changes in tuition level on students' decisions to take further schooling after high school. The interrelationship between federal and state efforts in financing postsecondary education is examined by John B. Lee. The final paper, by John Minter, addresses the topic of Institutional Financial Health and describes several technical problems related to asessing the financial health of colleges and universities.

MANAGING FINANCES IN COMMUNITY COLLEGES.

Lombardi, John. San Francisco: Jossey-Bass. 1973.

Explains how community colleges can implement new management systems. such as PPBS, MBO, AND MIS; provides precise guidelines for using present facilities more effectively; and critically evaluates recent attempts to increase faculty productivity. Lombardi offers suggestions for gaining long-range increases in funding, for controlling expenditures, and for more efficient resource allocation.

METHODS OF TWO-YEAR COLLEGE FINANCE IN SELECTED STATES. A SUPPLEMENT TO FINANCIAL SUPPORT FOR THE CALIFORNIA COMMUNITY COLLEGES, COMMISSION REPORT 77-3.

California State Postsecondary Education Commission. Sacramento. September 1977.
ED 145 918

In order to analyze the California system of community college finance within a national context, a review of recent literature was followed by an intensive study and survey of eight states, chosen to illustrate alternative solutions to California financing problems. National trends among community colleges that emerged included (1) the development of distinct purposes and identities; (2) funding mechanisms which increasingly resemble those of four-year institutions; (3) legally distinct governance and funding; (4) budget review procedures with line-item appropriations; (5) an increasing state share of support with decreasing local support; and (6) the development of the "community college" concept with a wide variety of programs, courses, and activities. Levels of support for students, the arguments and consequences of state/local funding. The variety of finance mechanisms, finance formulas related to affirmative action, and the issues of educacional equity and tuition and fees were also explored. Two major conclusions were drawn: before adopting any finance system a state must (1) decide the basic issues of mission, breadth of offering, and student body compositon, and (2) recognize the great force among two-year colleges of tradition and local circumstances. The survey questionnaire and details of the Florida cost-analysis model are appended.

MORE MONEY FOR MORE OPPORTUNITY. FINANCIAL SUPPORT OF COMMUNITY COLLEGE SYSTEMS.

Wattenbarger, James L.; Cage, Bob N. San Francisco: Jossey-Bass. 1974.
LB 2328 W326

A systematic review of community college funding policies - private, local, state, and federal. Provides profiles of budgeting procedures in 43 states, showing how these are

used to determine costs of community college programs. Offers a detailed analysis of one of the most successful current procedures for allocating funds to community colleges - the "Florida Model".

NEXT STEPS FOR THE 1980'S IN STUDENT FINANCIAL AID (PART I)

Carnegie Council on Policy Studies in Higher Education. Part I released March 1979. Full report available from Jossey-Bass.

This report recommends the overhaul by states and federal government of existing programs and to provide financial assistance to students which is more "equitable" and "sound". Four specific opportunities for improvement: 1) explicit self-help component into the eligibility formula, 2) loan system to make loans more easily and widely available with lower default rate, 3) improved equality of opportunity for all desiring a college education, 4) a greater range of choice of institutions for students.
Advocated is major expansion of state Student Incentive Grant programs. Impact of the recommendations or expenditure levels is included.

NO- OR LOW-TUITION: A LOST CAUSE. TOPICAL PAPER NO. 58.

Lombardi, John. ERIC Clearinghouse for Junior Colleges. October 1976.
ED 129 353

Almost from the beginning of the junior college movement, its educational leaders emphasized the desirability of maintaining a no-tuition policy in order to extend free public education through the first two years of college. However, at no time in the 75 year history of public two-year colleges has there been widespread acceptance of the no- or low-tuition policy. Periodically, state laws have prohibited tuition but all of them have been amended or circumvented, allowing colleges to impose fees. Today, no state prohibits the charging of tuition and/or fees. Tuition/fees in two-year colleges average from 50% to 60% of

those charged in four-year colleges. Average tuition and fees in 1974-75 have been variously estimated at $263 to $337. For the majority of students nationally they range from $0-$99 (low) to $100-$299 (moderate), but for the majority of colleges they are moderate to high ($300-$499). Tuition rises annually at a rate of 15% or more and by 1980 will average $400. What effect tuition will have on the ideal of the "open door" depends on the amount of state and federal grants to institutions with limited incomes. It seems reasonable to expect that as tuition rises to the $400-$800 range, a large number of students from low income families will be unable to attend the two-year college.

PPBS: ITS IMPACT UPON CURRICULUM DECISIONS.

Toler, Thomas M. (New York State) 21pp.
ED 136 897

This paper reviews the implications of the programming-planning-budgeting system (PPBS) for curriculum planning and decisions at the community college level in the state of New York. Although the state does not currently require that PPBS be utilized by its public community colleges, there is some evidence that suggests that such a mandate may be forthcoming from the legislature. It is anticipated that the PPBS concept will result in the mandating of a maximum cost per student as a determinant of state aid to the institution, with the result that some high cost per student programs may not receive funding sufficient to allow their survivial. Since technical programs tend to be more costly than general education programs, it appears that they are the most threatened by implementation of PPBS. Some technical programs in community colleges, such as x-ray technology, currently cost from approximately four to ten times as much as general education programs when measured on a per student basis. It is suggested that unless PPBS is studied and mastered, curriculum planning may become an unintended budget function rather than the most stable feature of the institution.

PRINCIPLES, PRACTICES, AND ALTERNATIVES IN STATE METHODS OF FINANCING COMMUNITY COLLEGES AND AN APPROACH TO THEIR EVALUATION, WITH PENNSYLVANIA A CASE STATE. REPORT NO. 32.

Matorana, S. V.; Wattenbarger, James L. Pennsylvania State University, University Park. Center for the Study of Higher Education. April 1978. 65 pp.
ED 158 807

After introducing the financial dilemmas which community colleges face, this paper states the approaches generally advocated for sound community college financing: negotiated budget under full state support, unit rate formulas, minimum foundation funding, and cost-based funding. Criteria related to those principles include: (1) consistency with community college goals, (2) policy perogative of the local authority, (3) objectivity of formula data, (4) protection of the minimum level of quality, (5) administrative budget flexibility, (6) equity and equalization, and (7) accountability to state and locality. Reports of current practices in several states, and some of their strengths and weaknesses are presented; and a more systematic approach to evaluating a state's funding method is proposed. Besides considering the country at large, the paper devotes special attention to Pennsylvania to provide greater specificity and illustration. A survey of Pennsylvania Community College Presidents indicates a belief that the state's present system of funding is inadequate, and should be improved through increased support for non-resident students, for new colleges and nation- and region-wide programs, for occupational programs in health and engineering, and for minimum foundation levels of educational quality.

QUALITY OR QUANTITY? A DISCUSSION OF A PILOT PROJECT IN DESIGNING STATE FUNDING FORMULAS BASED ON PERFORMANCE-QUALITY RATHER THAN ACTIVITY-QUANTITY. (TENNESSEE)

Fry, Janice W. Volunteer State Community College, Gallatin, Tenn. 1977. 14 pp.
ED 154 895

A three-year study of performance funding in Tennessee was begun in 1975-76 to investigate the possibility of allocating some portion of state funds for higher education on

performance criteria as compared to the current allocation of funds on an enrollment or organizational unit criterion. During the first year, the postsecondary institutions participating in the project were to develop institutional performance indicators that reflect institutional uniqueness and instructional effectiveness. During the second year, data on performance indicators would be collected. Volunteer State Community College is one of 11 colleges and universities participating in pilot projects throughout the state. During Fall and Winter 1976-77, meetings involving members of various disciplines and several divisions were held for the college's faculty to determine what competencies and skills students should have and how competencies and skills could be measured when students exit from specific courses, finish work in a particular discipline, or earn associate degrees and certificates. After skills and competencies were identified, a tentative list of institutional objectives and performance indicators was developed. The college's performance funding contract for 1977-78, approved by the Tennessee Higher Education Commission, is appended.

RECENT LEGAL ACTION AFFECTING COMMUNITY COLLEGES: A NATIONAL SURVEY.

Martorana, S. V. McGuire, W. Gary. Community College Review. V4. #2. pp. 18-31. February 1976.
EJ 151 717

Survey data reveal that, of the 72 recent legislative actions affecting community colleges labeled as significant by state directors of community/junior colleges, nearly 50 percent are concentrated in three areas: institutional growth, governance, and financial support. There is a great deal of State-level legislative support for the continued development of community/junior colleges.

REPORT FOR FLORIDA COMMUNITY COLLEGES, 1976-77.

Florida State Department of Education, Division of Community Junior Colleges. February 1978. 157 pp.
ED 151 032

This report attempts to answer the questions most frequently asked by legislators, state agencies, external agencies, citizens, administrators, faculty, and students about Florida's 28 community colleges. Introductory sections describe the Florida Public Community College System history, philosophy, goals, and organization. Material on financial support, articulation, and legislative regulations pertaining to establishment of occupational, vocational, and general adult education programs is presented. The bulk of the report consists of 24 data tables that review: Fall 1976 opening and end of term enrollments by class, program, and first-time, returning, or transfer status; Winter and Summer 1977 End of Term Enrollment by Program; annual unduplicated and FTE (full-time equivalent) enrollment by term and discipline; annual occupational, developmental, and community instructional service programs headcount; dual enrollment and early admissions; degrees and formal awards; annual salaries for full-time instructional and non-instructional personnel; fringe benefits for faculty; revenues and receipts for current funds; educational and general expenditures; full cost summary; and direct cost of instruction. Its unusual balance of local control with state coordination and support has made the Florida Master Plan a national model for long-range planning and organization.

REPORT OF THE TASK FORCE TO IMPLEMENT SENATE BILL 1346 ON FUNDING SUPPORT FOR COMMUNITY COLLEGE EDUCATION IN MICHIGAN AND THEIR MISSION AND ROLES AND STATE-LOCAL RELATIONS.

Michigan State Board for Public Community and Junior Colleges. January 1977. 86 pp.
ED 134 286

This document presents the final recommendations and background papers of a task force empowered by the Michigan Legislature to consider the mission and roles of the State Community Colleges, alternative funding modes, and the responsibilities and interrelationships of the State and

Local Governing Boards. Following an overview of recommendations and summaries of the reports of subcommittees in the three areas, the bulk of the document consists of a detailed explanation of the recommended funding model and the report of the subcommittee on state-local relations, presented in appendices. The funding model is based on a 50/50 division of responsibility between the state and local districts, including that for leisure-time courses, and is a criterion-based model intended to equalize local tax bases and economies of scale. The model is presented in two sections: "the determination of gross general fund investment needs" and "a method for the allocation of state funds based on the determination needs model". Measurement criteria, methodology, formulae, and sample applications of the model are provided. The State and Local Relations Committee Report presents an historical perspective, a discussion of areas of concern identified through a survey of community college presidents, an analysis of involvement patterns in the state policy decision-making process, outlines the state/local division of governance responsibility, weighs the advantages and disadvantages of centralized versus autonomous systems of governance, and concludes that the state should remain sensitive to the need for institutional autonomy and that a more democratic, less bureaucratic system of statewide governance is needed. The survey instrument and definitions of terms are included.

SCHOLARS, DOLLARS AND BUREAUCRATS. (STUDIES IN HIGHER EDUCATION POLICY)

Finn, Chester E. Jr. The Brookings Institution. Washington, D.C. 1978. 238 pp.
LB 2342 F55

In fiscal 1977 federal expenditures for higher education amounted to nearly $14 billion. Yet the federal government does not have - nor has it ever had - a comprehensive and unified policy toward higher education. Instead, dozens of federal agencies, each with its own policies and missions, administer the hundreds of programs that affect colleges and universities and the students who attend them. Although from Washington's standpoint higher education is a means to various socially useful ends rather than an end in itself,

many persons influential in higher education would like to make the well-being of colleges and universities a primary responsibility of the federal government. Is such a change possible, or even desirable?
In this book, the second in the Brookings series of Studies in Higher Education Policy, Chester Finn examines the complex relation between the federal government and the nation's higher education system. After surveying the history and background of Washington's involvement, he appraises the present condition of postsecondary education with an eye to what the government can and cannot do to alleviate problems that lie ahead. He scrutinizes federal assistance programs and government regulation, makes suggestions for reform, and analyzes several schemes for government reorganization.
Finn cautions against an overhaul of federal policy, programs, and structure. He believes that too much prescription may be worse than too little and that Washington's piecemeal approach to higher education has worked remarkably well -- indeed, in his view it has contributed much to the vitality and diversity of American colleges and universities. Future federal policy should be directed toward increasing that variety, and toward making it possible for students from every income level to attend the colleges of their choice.

SOME THOUGHTS ON THE STATE OF COMMUNITY COLLEGE EDUCATION AT THE START OF ITS FOURTH QUARTER CENTURY.

Reid, Alban E. Paper presented at the Illinois Community College Presdents' Workshop (St. Charles, Ill.) May 5-7, 1977.
ED 139 477

This paper compares the realities of present-day community colleges with the assumptions generally made about them a decade ago, and concludes that the profile of the community college of 1968 no longer fits the institution of today. The concepts of comprehensiveness and accessibility laid out in the original state plans are now being questioned on financial grounds, the increased proportion of state financial support has not offset inflation, and state functions in coordination and establishing standards have expanded to the regulation of almost every facet of college operation.

Financial constraints have caused some colleges to restrict enrollments, to raise tuition equal to that of public universities, and to halt growth in technical and semi-professional programs. Under the guise of "improving academic standards" the open door is slamming shut across the nation; services to aid the under-educated are being curtailed or discontinued. Although community colleges are represented in State Higher Education Councils, they are viewed unsympathetically as consumers of scarce resources rightly belonging to traditional institutions serving "regular" students. Local authority and control are eroding. The commitment of the community colleges to the ideals that brought them into being is tending to fade; unless they can sustain their own sense of direction they will lose their integrity in a morass of statewide planning and institutional homogeneity.

STATE COMMUNITY COLLEGE SYSTEMS IN ILLINOIS AND TENNESSEE: HISTORICAL, PHILOSOPHICAL, LEGAL AND FINANCIAL ELEMENTS.

Hughes, G. Edward. 76. 38 pp.
ED 135 442

This paper examines individually and comparatively the philosophical and legal bases and the funding patterns of the community college systems of Illinois and Tennessee. The Illinois Community College system represents a locally controlled, state coordinated, shared funding approach while the Tennessee System represents a state controlled, governed, and financed system. The differences between theses approaches stem in part from the historical, philosophical and legal elements characteristic of each system. Illinois has had a long history of community colleges as evidenced by its having the oldest extant community college in the nation, while, on the other hand, public community colleges in Tennessee are less than twelve years old. Overall, Tennessee lacks the educational and philosophical maturity which characterizes the Illinois system. The sources of revenue and expenditures of each community college system are analyzed in the paper and an example of the financing of one community college in each state is provided. Tabular data relating to finances in the two systems are included. Bibliographies for each state are included.

STATE LEGISLATION AFFECTING COMMUNITY AND JUNIOR COLLEGES, 1977. REPORT NO. 31.

Martorana, S. V.; Smutz, W. D. National Council of State Directors of Community - Junior Colleges; Pennsylvania State University, University Park Center for the Study of Higher Education. March 1978. 107 pp.
ED 156 256

This document analyzes legislation enacted and proposed in 1977 relative to community and junior colleges nationwide. A survey of community and junior college state directors and actual legislative documents supplied data about state legislation and the impact of federal legislation. Following an introduction, the second section of the report reviews seven important areas that attracted state legislative attention and action: finance, administration, physical facilities, institutional growth, personnel, students, and academic programs. The third section summarizes the effects of federal legislation and regulations on two-year colleges relative to federal aid, vocational education, the comprehensive education and training act, student aid, privacy of information, veterans, handicapped access, desegregation, and the state postsecondary education planning commissions. A summary and conclusions follow. During 1977, state legislatures were far more active in regards to postsecondary education than in the two preceding reporting periods, 1973-75 and 1976; 41 states reported 578 pieces of legislation proposed or enacted, compared with 394 in 1973-75 and 287 in 1976.
Administrative and financial problems received the most attention. The number of personnel bills substantially increased. Appendices include an annotated list of proposed and enacted legislation for each state and a subject index to legislation.

STATE LEGISLATION AFFECTING COMMUNITY COLLEGES.

Martorana, S. V. Nespoli, Lawrence A. Community College Review. V5. N3. pp. 28-32. Winter 1978.
EJ 183 891

The issue of adequate funding permeates all legislation reported by state directors as significantly affecting community colleges in 1976, as state legislatures are in-

creasingly reluctant to meet funding needs. Related issues include reorganization of governance structures, statewide coordination, institutional growth, enrollment limitations, retrenchment and collective bargaining.

STATE LEGISLATION RELATING TO COMMUNITY AND JUNIOR COLLEGES, 1976. REPORT NO. 27.

Martorana, S. V.; Nespoli, Lawrence A. National Council of State Directors of Community - Junior Colleges; Pennsylvania State University, University Park Center for Study of Higher Education. February 1977. 86 pp.
ED 136 887

This document presents an analysis of state legislation enacted and proposed in 1976 related to community and junior colleges. Data for this analysis were obtained from two soruces--personal replies to a survey of state directors of community and junior colleges, and actual legislative documents from the states. Following an introductory section, the second section of the report reviews five "critical issues" identified by the state directors as attracting legislative attention and action in 1976: finance, governance, institutional growth, legislative support, and personnel. Of these, finance was perceived to be of greatest importance. The third section, based on analysis of enacted legislation and proposed bills reported out of committee, summarizes legislative activity in the areas of finance, administration, physical facilities, institutional growth, personnel, students, and academic programs. The fourth section provides a separate analysis of legislative action related to the legal bases for "community-based, performance-oriented" educational programs. Section five presents a summary of trends and conclusions. Appendices include an annotated list of enacted and proposed legislation for each state and a subject index to the legislation.

STATE UNIVERSITY TRUSTEE COMMITTEE ON THE SPECIAL PROBLEMS OF THE COMMUNITY COLLEGES. FINAL REPORT. (NEW YORK)

February 76.
ED 134 244

This report reviews the major problems facing New York Community Colleges and presents the recommendations of a committee of the State University of New York Board of Trustees. The nature and range of problems were clustered in three areas: provision of adequate funding and opportunities for optimum resource utilization; clarification of the roles and interrelationships of local sponsors, local trustees, and the state; and accountability in programmatic areas. In light of the fiscal exigiencies faced by the state and of the needs of the community colleges, the committee recommended: (1) that programmatic funding recognizing differential program costs be adopted to provide equitable resource allocation and improved management planning; (2) that guidelines for program approval and retention be developed and implemented; (3) that educational opportunity programs be reaffirmed and strengthened; (4) that no new regulations governing terms of service for local trustees be adopted; (5) that guidelines for Community College Presidential Search Committees be established; (6) that a management information system for collective bargaining be developed; (7) that an equitable tuition policy for part-time students be established; and (8) that regional admissions policies for high demand restricted-access programs be considered. State support formulas, a draft mission statement, guidelines for the presidential search process, and community college statistical data are appended.

STATEWIDE PLANNING IN HIGHER EDUCATION

Halstead, D. Kent, DHEW, U.S. Government Printing Office Stock No. 1780-01229. 1974.
LB 23 29.5 H28. ED 136 668

This comprehensive handbook, which emphasizes major planning problems and their solutions, should enable administrators and others to enhance the professional skills they will need for the successful management and operation of statewide

systems of higher learning. Chapters cover: design for statewide planning; socioeconomic comparisons among states; extending educational opportunity; financial aid to students; differential functions of colleges and universities; selected responsibilities in the search for excellence; meeting area education program and capacity need; measuring professional manpower supply and demand; college and university libraries; space management and projection; campus and building planning status; issues on financing higher education; government support and institutional economies; and state budgeting for higher education. The appendices include: methodology for projecting large enrollments; higher education price indexes; college and university financial data; and college and university student migration data. Statistical tables accompany the text.

THE CALIFORNIA DREAM: TUITION-FREE HIGHER EDUCATION AT THE CROSSROADS.

Brossman, Sidney W. 12 December 1977. 11 pp.
ED 146 965

The California Community Colleges represent one of the few remaining tuition-free postsecondary systems, a position strengthened by recent legislation establishing a no-fee policy for all credit classes and removing the 21-year-old "defined adult" state funding limitation. Today's community college students average 25 years of age, most are married and working, with incomes in the lower and middle economic groups, and two-thirds enroll part-time. That tuition/fee imposition results directly in restricted opportunities for higher education is illustrated in studies by the First National Bank of New York, The Bureau of Labor Statistics, The American Council on Education, Stanford Research Institute, and The Educational Testing Service Veterans' Study. The University of Wisconsin lowered tuition at two of its two-year centers with resultant enrollment increases of 47% and 23%, illustrating the relationship of tuition and enrollment. Arguments for increasing tuition while also increasing student aid ignore evidence that the need is greater than available funds, that only the poor benefit, and that funds are subject to political pressure. Also, aid

programs are not designed for today's older, part-time students. For them and a healthy community college system, the only financing solution is the continuation of a tuition-free policy.

THE ECONOMIC IMPACTS OF MARYLAND COMMUNITY COLLEGES.

Linthicum, Dorothy S. Maryland State Board for Community Colleges. September 1978. 43 pp.
ED 158 804

The problem addressed in this study is the identification of economic benefits generated by the 17 Maryland Community Colleges, and their associated costs. Figures for fiscal year 1977 are used to assess the statewide impact of the community colleges on the business sector, in terms of total impact of expenditures by the colleges and their staffs, the sources of funds for the colleges, how much business property exists in support of their expenditures, how much the credit base of Maryland's Banks expanded and how much state business volume was unrealized because of the colleges. Impact on the government sector is considered in relation to: federal tax revenues and transfer payments received by the state; revenue received by local jurisdictions; the cost to the state for provision of services to the colleges and their employees, and the value of state property related to these services; and the amount of state and local real estate taxes foregone because of the tax-exempt status of the colleges. The colleges affected general employment by: making more full-time jobs available, by increasing the earning capacity of their graduates, and increasing state and local tax revenues generated by the increased earnings. Also considered are the state and local investments, and internal rates of return for students and the public. A bibliography and review of the literature are included.

THE PROMISE AND THE PROBLEMS OF COMMUNITY COLLEGES IN CALIFORNIA.

Craig, William G. McIntyre, Charles. 1 June 1978. 16 pp.
ED 156 271

The requirements of urban sprawl, a highly industrialized and technical economy, and an unpredictable job market apply great pressure to the educational community for diversity of offerings, quality, and accountability. However, despite the extraordinary demands for programs and services, the economic forecast for higher education is pessimistic. The California Community College system, consisting of 105 colleges, costing 1.5 billion dollars annually in state and local funds, serves as a model in many ways, especially as the one state system maintaining increasing enrollments and tuition-free education. The California system, following a period of explosive growth, is entering a new development phase requiring a fairly radical redefinition of purposes and goals. The Chancellor's office is currently working on a list of six major political influences which explain the need for finance reform and directly affect public policy decisions for the colleges: (1) the K-12 legacy and the "never-never land" between secondary and higher education; (2) the pervasive yet inconspicuous character of community colleges; (3) the inherent friction of a dual governance systems; (4) constituent diversity relative to the state legislature's makeup; (5) other educational components doing the community college job; and (6) piecemeal and partial solutions to financial problems.

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